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Indenture Trustee*

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA

SAN FRANCISCO DIVISION

In re:

PG&E CORPORATION,

- and -

**PACIFIC GAS AND ELECTRIC
COMPANY,**

Debtors.

☐ Affects PG&E Corporation
☐ Affects Pacific Gas and Electric
Company
☒ Affects both Debtors
** All papers shall be filed in the Lead
Case, No. 19-30088 (DM).*

Case No. 19-30088 (DM)

Chapter 11

(Lead Case)

(Jointly Administered)

**STATEMENT OF BOKF, NA AS
INDENTURE TRUSTEE IN SUPPORT OF
DEBTORS' MOTION PURSUANT TO 11
U.S.C. §§ 363(b) AND 105(a) AND FED. R.
BANKR. P. 6004 AND 9019 FOR ENTRY OF
AN ORDER (I) APPROVING AND
AUTHORIZING THE DEBTORS TO ENTER
INTO RESTRUCTURING SUPPORT
AGREEMENT WITH CONSENTING
NOTEHOLDERS AND SHAREHOLDER
PROPOSERS, AND (II) GRANTING
RELATED RELIEF.**

Hearing

Date: February 4, 2020

Time: 10:00 a.m. (Pacific time)

Place: Courtroom 17

450 Golden Gate Ave, 16th Floor
San Francisco, CA 94102

Objection Deadline: February 3, 2020

12:00 p.m. (Pacific time)

BOKF, NA (“BOKF”), in its capacity as successor indenture trustee (the “Trustee”) under the Indentures dated as of (i) April 22, 2005 Supplementing, Amending and Restating the Indenture of Mortgage Dated March 11, 2004 (ii) November 29, 2017 and (iii) August 6, 2018, each as supplemented or amended, pursuant to which Pacific Gas and Electric Company issued the senior notes (the “Senior Notes”), by and through its counsel, Arent Fox LLP, submits this Statement in Support of the *Debtors’ Motion Pursuant to 11 U.S.C. §§ 363(b) and 105(a) and Fed. R. Bankr. P. 6004 and 9019 for Entry of an Order (I) Authorizing the Debtors to Enter Into Restructuring Support Agreement with Consenting Noteholders and Shareholder Proponents, and (II) Granting Related Relief* [Docket No. 5519] (the “Motion”).¹ In support of the Motion, BOKF states as follows:

STATEMENT

The overriding goal in these cases has been the confirmation of the best plan possible before the June 30, 2020 deadline that treats the fire victims, holders of Senior Notes and other stakeholders fairly and as provided under the Bankruptcy Code. The dual-plan process sparked substantial progress towards that goal by encouraging the Debtors and the PG&E Shareholders to negotiate with stakeholders to achieve a consensual plan that resolves the disputes, concerns and issues of various creditors and governmental authorities while positioning the Debtors to timely emerge from chapter 11 as a viable reorganized utility. The Noteholder RSA is another significant step towards achieving this goal made possible through the considerable efforts of the Debtors, Ad Hoc Committee, Shareholders, and their respective professionals. The Noteholder RSA creates the construct and foundation for the treatment of the Senior Notes under a

¹ Capitalized terms used, but not defined, herein shall have the meanings ascribed to them in the Motion.

1 consensual plan of reorganization.² BOKF applauds those efforts and is supportive of steps that
2 are necessary to facilitate a consensual and timely confirmation process. BOKF thus has no
3 objection to granting the relief set forth in the Motion.

4 In light of the compressed time frame and accelerated schedule, BOKF is still in the
5 process of reviewing the recently filed Amended Plan to, among other things, review and analyze
6 the treatment of all holders of Senior Notes; funding provided under the Amended Plan;
7 distribution and other mechanics; and treatment of the Trustee, as well as to ensure the Amended
8 Plan complies with the indentures and controlling law governing the Senior Notes. BOKF is also
9 actively consulting and working with other stakeholder professionals, including those of the
10 Debtors, to analyze the Amended Plan and determine whether any roadblocks remain to a
11 consensual confirmation.

12 In the event there are open concerns, issues, or grounds for objection to confirmation of
13 the Amended Plan, including the treatment of the Trustee and the distribution mechanics, BOKF
14 will endeavor to resolve those concerns consensually prior to confirmation and in accordance
15 with the procedures and schedule established by the Court. BOKF remains confident that any
16 concerns, issues, or objections raised can be consensually resolved but reserves all rights and
17 remedies with respect to plan confirmation should its concerns remain unresolved by the
18 confirmation hearing.

19 CONCLUSION

20 For the reasons described herein, BOKF supports approval of the Motion and Noteholder
21 RSA, subject to the rights of BOKF to raise objections to any remaining outstanding issues at
22 confirmation.

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24 *[Signature on Next Page]*
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28 ² BOKF has received calls from holders of Senior Notes who are not signatories to the Noteholder RSA inquiring about the Noteholder RSA and Amended Plan and requesting clarification to better understand their terms. BOKF expects these inquiries to continue as the process moves forward.

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Respectfully submitted,

Dated: February 3, 2020

ARENT FOX LLP

By: /s/ Aram Ordubegian
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Andrew I. Silfen (*pro hac vice*)
Beth M. Brownstein (*pro hac vice*)

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